



PRIME MINISTER

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E & O E - PROOF ONLY

JOURNALIST: The Opposition's rejection of the MFP. Does that reflect a racist overtone?

PM: Well, I think it's a very unfortunate development. This proposal has been on the table now for a couple of years. It's something that is about Australia's future. Australia has to have a future in which it has the best technology available to it. It is a tragedy that has been deliberately and opportunistically misrepresented by Mr Peacock as a Japanese enclave. Nothing could be further from the truth. We have had discussions of course, and close discussions, with our friends from Japan, but the intention is that we shall attract to Australia for Australia's future benefit, the best technology, not only from Japan, but from Europe and from the United States and that the great strength of well trained Australian work men and women should be harnessed with the best technology of the rest of the world. This is something which is essential for Australia's future and the lie, the absolute lie, for Mr Peacock's opportunism is established by the attitude of his New South Wales colleague, Premier Nick Greiner, who has said the basic concept is good. It offers Australia, said Nick Greiner, a chance to catch up, to accelerate our technology base. This is what it's about to ensure that we bring in the best from overseas, whether it be from Japan, Europe or the United States. This is what Australia needs for its future and in this last week, a man who was given the opportunity on the 29th September last year, Will Bailey of the ANZ and all those associated with the project, on the 29th September last year, offered Mr Peacock the opportunity of being fully briefed on the Multi Function Polis concept. He rejected that opportunity and now, just a few days from the poll, he has opportunistically and very dangerously misrepresented to the Australian community that this is a proposal for a Japanese enclave. Mr Peacock knows better. He knows that he is talking dangerous nonsense and I'm indebted to Premier Nick Greiner for his repudiation of the opportunism of Mr Peacock. Interestingly again, this is another issue on which you have a clear conflict between Mr Peacock, the

opportunist, and Mr Howard, who, within the last week or so, has indicated that this is a concept which should be fully explored. I believe that Mr Peacock's dangerous opportunism, his adventurism, will be repudiated. He can't even, in the process of doing this, get his facts right. He's tried to say, I believe, that this decision was finalised late on Friday when in fact the decision had been made on Thursday and the fax had been sent around, the faxes had been sent around Australia. The man is a dangerous opportunist who fortunately, as I say, has been completely repudiated by his own Party.

JOURNALIST: So Labor will definitely go ahead with it, will it Mr Hawke?

PM: What, what the Labor Government will do, as it has been doing in association with the business community of this country and with the States, will be to fully investigate this proposal to see what's the best way in which Australia can attract to this country the highest technology from overseas. And that will certainly include the best technology from Japan.

JOURNALIST: Mr Hawke, is there a racist element in Mr Peacock's decision?

PM: ... would really have to ask Mr Peacock that. The facts are that he's had the opportunity right up until now, five days before the campaign, to address this issue. He had the opportunity of being fully briefed on it, on the 29th September last year. He repudiated that opportunity. You're going to have to ask Mr Peacock why, in the very dying stages of this campaign, in his desperation, he has gone to this issue and, and has gone to it in a way which is a total misrepresentation. Why does he say this is a proposal to establish a Japanese enclave in Australia? What sort of vein in Australian politics is he, is he trying to tap with that lie?

JOURNALIST: Mr Hawke, is there an anti Japanese sentiment showing up in Labor's research?

PM: Well, it's not a question of, of Labor's research. If you, any research you will do you will find that there will be some people in Australia who have an anti Japanese sentiment. What leadership is about, what leadership requires in this country is to look to Australia's future. If there's one thing that is essential for Australia's future, for the future of these kids, it is that we attract the best technology in this country to harness to an increasingly well trained Australian workforce. Unless we get the best technology, then we will not be able to compete overseas and for any political leader to look at some research and, and see that he sees some sort of sentiment like that somewhere and deliberately misrepresent this as a proposal for a Japanese enclave, I mean, he's trying, he is trying to tap into, he's trying to tap into the worst elements that

there must be in, in Australian thinking and it's, it's a desperate abuse of the obligations of political leadership.

JOURNALIST: Have the Japanese voiced their concerns to you yet?

PM: No, there's been no concern expressed to me and they don't need to. I mean, what I'm about, as I have been for seven years is to embrace proposals and thinking which is calculated to make Australia a more competitive country. In this country we have got to get the best technology we possibly can - if that's from Japan, it's from Japan, if it's from the United States, it's from the United States. We've got to bring the best technology here and if we can establish some sort of centre in which the best technology from Japan, from the United States and from Europe, can be brought in to combine with the, the abilities and the increasing abilities of Australian workers, that's what's absolutely essential for this country's future and to think that five days before an election you could have this gross misrepresentation by a man who would be Prime Minister of this country defies belief. It is no wonder that Premier Greiner has repudiated him, it is no wonder that Mr Howard has repudiated him. I mean, these people will not play the politics of opportunism and gamble Australia's future for this desperate short-term opportunism of Mr Peacock.

JOURNALIST: Mr Hawke, the Treasurer's talking about falls in interest rates to be in the first week or two weeks after the election. Is that reasonable?

PM: Well, I've said much the same thing myself. I mean, it's a case where, quite clearly, you've got every economic commentator in this country saying that the conditions that have been set in place by this Government will produce a fall in interest rates after the election - as against the alternative because if the, if the Peacock mob were to get in you'd have a wages explosion and a dissolution of the budget surplus calculated to in fact blow interest rates through the roof. There's no doubt what the, what the -

JOURNALIST: ... Mr Hawke, are you worried that there'll be a squeeze on credit?

PM: If, that if interest rates fall there'll be a squeeze on credit? No, I'm certainly not. I mean, obviously if interest rates fall, credit will be easier.

JOURNALIST: But, but with Keating's timetable, do you agree with that, the two weeks?

PM: I've just answered that question. I said I've said much the same thing myself. But one thing that's very interesting too, that hasn't been mentioned in the developing Peacock desperation of the last week is now

that, in the area of tax, he's flip flopping in the area of tax as to whether in fact the creation of the two tiered tax scale that he's promised within the life of his government will be financed out of bracket creep or not. Well that's an interesting question as to whether he's going to further blow out the budget in that way, but the most interesting thing about the Peacock proposal for a two tiered system is this - and I would suggest that every member of the Australian public ought to think very, very clearly about this - what Mr Peacock is proposing in his two tiered tax scale is that he, as Prime Minister, would get a tax cut of over \$100 a week - he'd give himself a tax cut of over \$100 a week - but for you, the ordinary Australian on average weekly earnings, he'd give you a cut of \$4.73 a week. \$4.73 a week for the ordinary taxpayer and give himself a tax cut of more than \$100 a week. That's the concept of Peacock about equity in taxation and it's something which should be absolutely repugnant to every reasonable Australian. OK? Thank you very much.

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